

PREVAILED

Roll Call No. \_\_\_\_\_

FAILED

Ayes \_\_\_\_\_

WITHDRAWN

Noes \_\_\_\_\_

RULED OUT OF ORDER

## HOUSE MOTION \_\_\_\_\_

MR. SPEAKER:

I move that Engrossed Senate Bill 165 be amended to read as follows:

- 1 Delete everything after the enacting clause and insert the following:
- 2 SECTION 1. IC 20-3.1-2-4 IS AMENDED TO READ AS
- 3 FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 4. "Assessment
- 4 program" refers to the ~~ISTEP~~ **assessment** program **created under**
- 5 **IC 20-10.2-5 and a test approved by the board's plan developed**
- 6 **under IC 20-3.1-7.**
- 7 SECTION 2. IC 20-3.1-2-5 IS AMENDED TO READ AS
- 8 FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 5. "Assessment test"
- 9 refers to a test administered to students under the ~~ISTEP~~ **assessment**
- 10 **program created under IC 20-10.2-5.**
- 11 SECTION 3. IC 20-3.1-2-8 IS AMENDED TO READ AS
- 12 FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 8. "Designated grade
- 13 level" refers to the grade levels tested under the ~~ISTEP~~ **assessment**
- 14 **program created under IC 20-10.2-5.**
- 15 SECTION 4. IC 20-3.1-2-10 IS AMENDED TO READ AS
- 16 FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 10. "~~Expected~~
- 17 **"Student performance improvement level"** refers to a **level of**
- 18 **performance measure, used to place a school in academic receivership,**
- 19 **established by the board at a level not less than one (1) standard**
- 20 **deviation below the state average for:**
- 21 **(1) student attendance rates;**
- 22 **(2) remediation rates;**
- 23 **(3) scores on assessment tests; and**
- 24 **(4) graduation rates.**

1 **improvement in student academic achievement established by the**  
 2 **board, which must be no less rigorous than the performance**  
 3 **improvement level established by the assessment program**  
 4 **developed under IC 20-10.2-5.**

5 SECTION 5. IC 20-3.1-2-20 IS AMENDED TO READ AS  
 6 FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 20. "State achievement  
 7 standards" refers to the state achievement standards ~~adopted under~~  
 8 ~~IC 20-10.1-17 for the ISTEP program. for which the assessment~~  
 9 **program developed under IC 20-10.2-5 assesses students.**

10 SECTION 6. IC 20-3.1-6-1 IS AMENDED TO READ AS  
 11 FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 1. ~~The student~~  
 12 ~~performance measures described in sections 2 through 4 of this chapter~~  
 13 **IC 20-10.2-5 applies to the school city and its schools. The student**  
 14 **performance improvement levels developed under IC 20-3.1-8-1**  
 15 **shall be used by the board to:**

- 16 (1) assess;
- 17 (2) report; and
- 18 (3) improve;

19 the performance of schools, educators, and students in the school city.

20 SECTION 7. IC 20-3.1-6-3 IS AMENDED TO READ AS  
 21 FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 3. The board shall use  
 22 **the student performance objectives improvement levels developed**  
 23 **under IC 20-3.1-8-1 to:**

- 24 (1) implement the ~~school board's~~ plan;
- 25 (2) evaluate school performance;
- 26 (3) publish annual reports; and
- 27 (4) determine academic receivership under IC 20-3.1-14.

28 SECTION 8. IC 20-3.1-6-4 IS AMENDED TO READ AS  
 29 FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 4. The board shall use  
 30 ~~expected student~~ performance **improvement** levels to determine  
 31 whether to place a school in academic receivership under IC 20-3.1-14.

32 SECTION 9. IC 20-3.1-6-5, AS AMENDED BY P.L.14-2000,  
 33 SECTION 48, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 34 JULY 1, 2001]: Sec. 5. Each school in the school city shall measure  
 35 and record:

- 36 (1) the school's **students'** achievement in reaching the school's
- 37 **student performance objectives improvement levels** established
- 38 under IC 20-3.1-8;
- 39 (2) student achievement information for the school described in
- 40 IC 20-1-21-9 and IC 20-1-21-9.5; and
- 41 (3) teacher and administrative performance information for the
- 42 school described in IC 20-1-21-9.5;

43 **which in each case must be not less rigorous than the student**  
 44 **performance improvement levels and information developed and**  
 45 **required under IC 20-10.2-5.**

46 SECTION 10. IC 20-3.1-7-1 IS AMENDED TO READ AS

1 FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 1. (a) The board shall  
 2 **modify**, develop, and implement a plan for the improvement of student  
 3 achievement in the schools within the school city.

4 (b) A plan **modified**, developed, and implemented under this  
 5 chapter must be consistent with this article **and with IC 20-10.2**.

6 SECTION 11. IC 20-3.1-7-2, AS AMENDED BY P.L.8-1999,  
 7 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 8 JULY 1, 2001]: Sec. 2. The plan **modified**, developed, and  
 9 implemented under this chapter must do the following:

10 (1) Provide for efforts to increase support of the schools by the  
 11 parents of students and the neighborhood communities  
 12 surrounding the schools.

13 (2) Establish **student** performance ~~objectives~~ **improvement**  
 14 **levels** for ~~educators and~~ students in each school within the school  
 15 city **that are not less rigorous than the student performance**  
 16 **improvement levels developed under IC 20-10.5**.

17 (3) Provide opportunity and support for the educators in each  
 18 school to develop a school plan, including:

19 (A) traditional or innovative methods and approaches to  
 20 improve student achievement; and

21 (B) efficient and cost effective management efforts in the  
 22 school;

23 that are ~~consistent~~ **developed consistently** with ~~general~~  
 24 ~~guidelines established by the board~~ **IC 20-3.1-9-1, and with the**  
 25 **board's plan developed under this chapter**.

26 (4) Require annual reports identifying the progress of student  
 27 achievement for each school as described in IC 20-1-21-9 and  
 28 IC 20-1-21-9.5.

29 (5) Provide for the effective evaluation of each school within the  
 30 school city and the school's educators, including the consideration  
 31 of student achievement in the school.

32 (6) ~~Develop performance awards under IC 20-3.1-12 for~~  
 33 ~~extraordinary and outstanding performance by educators~~.

34 (7) Provide a range of opportunity for remediation of students  
 35 who:

36 (A) fail to meet state achievement standards; or

37 (B) are at risk of academic failure.

38 ~~(8)~~ (7) Require action to raise the level of performance of a school  
 39 if the school's students fail to achieve ~~expected student~~  
 40 ~~performance improvement levels or performance objectives~~  
 41 established for the school **under IC 20-3.1-8-1**.

42 SECTION 12. IC 20-3.1-7-3 IS AMENDED TO READ AS  
 43 FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 3. The board shall:

44 (1) **modify**, develop, and publish the plan required under this  
 45 chapter ~~not later than December 31, 1995~~; **in compliance with**  
 46 **the timelines of IC 20-10.2**; and

- (2) implement the **modified** plan ~~not later than July 1, 1996~~ in compliance with the timelines of IC 20-10.2.

SECTION 13. IC 20-3.1-7-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 5. (a) The board shall **annually** assess and evaluate educational programs offered by the school city to determine:

- (1) the programs' relationship to improved student achievement; and
- (2) the programs' educational value in relation to cost.

(b) The board may obtain information from:

- (1) educators in the schools offering a program;
- (2) students participating in the program; and
- (3) the parents of students participating in the program;

in preparing an assessment and evaluation under this section. **The assessment must include the performance of the school's students in achieving student performance improvement levels under IC 20-10.2 and IC 20-3.1-8-1.**

SECTION 14. IC 20-3.1-8-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 1. The board shall establish annual **student** performance ~~objectives~~ **improvement levels** for each school **that are not less rigorous than the student performance improvement levels under IC 20-10.2**, including the following:

- (1) For students:
  - (A) improvement in ~~scores on statewide~~ **results on** assessment tests and assessment programs;
  - (B) improvement in attendance rates; and
  - (C) improvement in progress toward graduation.
- (2) For teachers:
  - (A) improvement in student ~~scores~~ **results** on assessment tests and assessment programs;
  - (B) improvement in the number and percentage of students achieving state achievement standards and, if applicable, performance levels set by the board, on assessment tests;
  - (C) improvement in student progress toward graduation;
  - (D) improvement in student attendance rates for the school year;
  - (E) improvement in individual teacher attendance rates;
  - (F) improvement in communication with parents and parental involvement in classroom and extracurricular activities; and
  - (G) other objectives developed by the board.
- (3) For the school and the school administrators:
  - (A) improvement in student ~~scores~~ **results** on assessment tests, aggregated by class and grade;
  - (B) improvement in the number and percentage of students achieving state achievement standards and, if applicable,

- performance levels set by the board, on assessment tests, aggregated by class and grade;
- (C) improvement in student graduation rates and in progress toward graduation;
- (D) improvement in student attendance rates;
- (E) management of general fund expenditures per student and total expenditures per student;
- (F) improvement in teacher attendance rates; and
- (G) other objectives developed by the board.

SECTION 15. IC 20-3.1-9-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 1. **(a) IC 20-10.2 applies to the school city. Beginning in the 2004-2005 school year, the composition of any local school improvement committee shall be determined under IC 20-10.2.**

~~(a)~~ **(b)** The plan developed and implemented by the board under IC 20-3.1-7 must contain general guidelines for decisions by the educators in each school to improve student achievement in the school.

~~(b)~~ **(c)** The board's plan shall provide for the publication to other schools within the school city and to the general community those processes, innovations, and approaches that have led individual schools to significant improvement in student achievement.

SECTION 16. IC 20-3.1-11-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 3. A staff performance evaluation plan must do the following:

(1) Provide for evaluation of ~~each employee's~~ **the school's and the school's educators'** performance based upon ~~the school's students' performance improvement level under IC 20-3.1-8-1~~ **including** the following:

(A) For teachers:

- ~~(i) the development and maintenance of parental involvement in classroom and extracurricular activities;~~
- ~~(ii) Student achievement on assessment tests and assessment programs. and~~
- ~~(iii) the teacher's attendance rates.~~

(B) For administrators:

- ~~(i) student attendance rates;~~
- ~~(ii) Graduation rates.~~
- ~~(iii) the number of teachers for each student at the school;~~
- ~~(iv) the number of certified administrators for each student at the school;~~
- ~~(v) classroom expenditures per student as determined by a formula to be established by the board; and~~
- ~~(vi)~~

(C) Scholastic aptitude test scores.

~~(E)~~ **(D)** Other objective standards developed by the board for measuring student, teacher, and administrator performance

**improvement consistent with state academic standards and student performance improvement levels developed under IC 20-3.1-8-1.**

(2) Provide for the continuing professional development and improvement of the performance of the individuals evaluated.

(3) Require periodic assessment of the effectiveness of the plan.

~~(4) Provide that teachers receive an evaluation twice during each school year.~~

SECTION 17. IC 20-3.1-11-7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]: **Sec. 7. IC 20-6.1-4-5 and IC 20-6.1-4-6 apply to certificated employees in the school city. A teacher's students' performance improvement levels under the assessment tests and programs of IC 20-10.2 may be used as a factor, but not the only factor, to evaluate the performance of a teacher in the school city.**

SECTION 18. IC 20-3.1-14-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 2. ~~(a) Beginning with the 1996-1997 school year, the board may place a school in the school city in academic receivership if the school fails for any four (4) consecutive school years to meet expected performance levels:~~

**(b) In addition to the consequences of IC 20-10.2-6 and beginning with the 1996-1997 2002-2003 school year, the board shall place a school in the school city in academic receivership if the school fails for any two (2) consecutive school years to:**

~~(1) meet expected student performance improvement levels. and~~

~~(2) achieve the performance objectives established by the board for the school under IC 20-3.1-8.~~

SECTION 19. IC 20-3.1-14-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 5. (a) If a school is placed in academic receivership, the superintendent and the board must take action to raise the school's level of performance. ~~on each of the performance indicators listed in section 4 of this chapter.~~

**(b) In addition to the consequences of IC 20-10.2-6, the actions that the superintendent and the board may take to raise the performance of a school in academic receivership include the following:**

(1) Shifting resources of the school city to the school.

(2) Changing or removing the school principal, teachers, administrators, or other staff.

(3) Establishing a new educational plan for the school.

(4) Requiring the superintendent or another school city appointee to administer the school until the academic receivership status of the school is removed.

(5) Contracting with a for-profit or nonprofit organization or individual to manage the school.

(6) Closing the school.

(7) Any other management, personnel, or policy changes that the superintendent and board expect in the following school year to:

(A) raise the performance of the school; and

(B) avoid continuing academic receivership status for the school.

(c) The provisions of this chapter, if inconsistent with any other law relating to education, teachers, or common schools, govern.

SECTION 20. IC 20-3.1-15-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 1. To provide the board with the necessary flexibility and resources to carry out this article, the following apply:

(1) The board may eliminate or modify existing policies and create new policies, and alter policies from time to time, subject to this article and the plan developed under IC 20-3.1-7.

~~(2) IC 20-7.5 does not apply to matters set forth in this article. The matters set forth in this article may not be the subject of collective bargaining or discussion under IC 20-7.5.~~

~~(3) An exclusive representative certified under IC 20-7.5 to represent certified employees of the school city, or any other entity voluntarily recognized by the board as a representative of employees providing educational services in the schools, may bargain collectively only concerning salary, wages, and salary and wage related fringe benefits. The exclusive representative may not bargain collectively or discuss performance awards under IC 20-3.1-12. Beginning on July 1, 2001, IC 20-7.5 applies to the school city.~~

~~(4)~~ **(3)** The board of school commissioners may waive the following statutes and rules for any school in the school city without the need for administrative, regulatory, or legislative approval:

(A) The following rules concerning curriculum and instructional time:

511 IAC 6.1-3-4

511 IAC 6.1-5-0.5

511 IAC 6.1-5-1

511 IAC 6.1-5-2.5

511 IAC 6.1-5-3.5

511 IAC 6.1-5-4

(B) The following rules concerning pupil/teacher ratios:

511 IAC 6-2-1(b)(2)

511 IAC 6.1-4-1

(C) The following statutes and rules concerning textbooks, and rules adopted under the statutes:

IC 20-10.1-9-1

IC 20-10.1-9-18

IC 20-10.1-9-21

- 1 IC 20-10.1-9-23  
 2 IC 20-10.1-9-27  
 3 IC 20-10.1-10-1  
 4 IC 20-10.1-10-2  
 5 511 IAC 6.1-5-5  
 6 (D) The following rules concerning school principals:  
 7 511 IAC 6-2-1(c)(4)  
 8 511 IAC 6.1-4-2  
 9 (E) 511 IAC 2-2, concerning school construction and  
 10 remodeling.  
 11 ~~(5)~~ (4) Notwithstanding any other law, a school city may do the  
 12 following:  
 13 (A) Lease school transportation equipment to others for  
 14 nonschool use when the equipment is not in use for a school  
 15 city purpose.  
 16 (B) Establish a professional development and technology fund  
 17 to be used for:  
 18 (i) professional development; or  
 19 (ii) technology, including video distance learning.  
 20 (C) Transfer funds obtained from sources other than state or  
 21 local government taxation among any account of the school  
 22 corporation, including a professional development and  
 23 technology fund established under clause (B).  
 24 ~~(6)~~ (5) Transfer funds obtained from property taxation among the  
 25 general fund (established under IC 21-2-11) and the school  
 26 transportation fund (established under IC 21-2-11.5), subject to  
 27 the following:  
 28 (A) The sum of the property tax rates for the general fund and  
 29 the school transportation fund after a transfer occurs under this  
 30 subdivision may not exceed the sum of the property tax rates  
 31 for the general fund and the school transportation fund before  
 32 a transfer occurs under this clause.  
 33 (B) This clause does not allow a school corporation to transfer  
 34 to any other fund money from the debt service fund  
 35 (established under IC 21-2-4).  
 36 SECTION 21. IC 20-5.5 IS ADDED TO THE INDIANA CODE AS  
 37 A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE UPON  
 38 PASSAGE]:  
 39 **ARTICLE 5.5. CHARTER SCHOOLS**  
 40 **Chapter 1. Definitions**  
 41 **Sec. 1. The definitions in this chapter apply throughout this**  
 42 **article.**  
 43 **Sec. 2. "Board" refers to the Indiana state board of education**  
 44 **established by IC 20-1-1-1.**  
 45 **Sec. 3. "Charter" means a contract between an organizer and**  
 46 **a sponsor for the establishment of a charter school.**



1       **Sec. 4. "Charter school" means a public elementary school or**  
 2 **secondary school established under this article that:**

- 3       **(1) is nonsectarian and nonreligious; and**  
 4       **(2) operates under a charter.**

5       **Sec. 5. "Conversion charter school" means a charter school**  
 6 **established under IC 20-5.5-11 by the conversion of an existing**  
 7 **school into a charter school. "Existing school" includes a new**  
 8 **school to which students from other schools in the school**  
 9 **corporation are assigned or transferred.**

10       **Sec. 6. "Department" refers to the department of education**  
 11 **established by IC 20-1-1.1-2.**

12       **Sec. 7. "Elementary school" has the meaning set forth in**  
 13 **IC 20-10.1-1-15.**

14       **Sec. 8. "Governing body" has the meaning set forth in**  
 15 **IC 20-10.1-1-5.**

16       **Sec. 9. "Organizer" means a group or an entity that:**

- 17       **(1) has been determined by the Internal Revenue Service to be**  
 18 **operating under not-for-profit status or has applied for such**  
 19 **determination; and**  
 20       **(2) enters into a contract under this article to operate a**  
 21 **charter school.**

22       **Sec. 10. "Parent" has the meaning set forth in IC 20-1-1.8-8.**

23       **Sec. 11. "Proposal" refers to a proposal from an organizer to**  
 24 **establish a charter school.**

25       **Sec. 12. "Public school" has the meaning set forth in**  
 26 **IC 20-10.1-1-2.**

27       **Sec. 13. "School corporation" has the meaning set forth in**  
 28 **IC 20-10.1-1-1.**

29       **Sec. 14. "Secondary school" means a high school (as defined in**  
 30 **IC 20-10.1-1-16).**

31       **Sec. 15. "Sponsor" means the following:**

- 32       **(1) For a charter school, one (1) of the following:**  
 33       **(A) A governing body.**  
 34       **(B) A state educational institution (as defined in**  
 35 **IC 20-12-0.5-1) that offers a four (4) year baccalaureate**  
 36 **degree.**  
 37       **(C) The executive (as defined in IC 36-1-2-5) of a**  
 38 **consolidated city.**

39       **Sec. 16. "Teacher" has the meaning set forth in IC 20-6.1-1-8.**

## 40       **Chapter 2. Description**

41       **Sec. 1. A charter school may be established under this article to**  
 42 **provide innovative and autonomous programs that do the**  
 43 **following:**

- 44       **(1) Serve the different learning styles and needs of public**  
 45 **school students.**  
 46       **(2) Offer public school students appropriate and innovative**  
 47 **choices.**

1 (3) Afford varied opportunities for professional educators.

2 (4) Allow public schools freedom and flexibility in exchange  
3 for exceptional levels of accountability.

4 (5) Provide parents, students, community members, and local  
5 entities with an expanded opportunity for involvement in the  
6 public school system.

7 Sec. 2. A charter school is subject to all federal and state laws  
8 and constitutional provisions that prohibit discrimination on the  
9 basis of the following:

10 (1) Disability.

11 (2) Race.

12 (3) Color.

13 (4) Gender.

14 (5) National origin.

15 (6) Religion.

16 (7) Ancestry.

### 17 Chapter 3. Establishment

18 Sec. 1. A sponsor may grant a charter to an organizer to operate  
19 a charter school under this article.

20 Sec. 2. A sponsor may not grant a charter to a for-profit  
21 organizer.

22 Sec. 3. The organizer's constitution, chapter, articles, or bylaws  
23 must contain a clause that provides that upon dissolution:

24 (1) all remaining assets, except funds specified in subsection

25 (2), shall be used for nonprofit educational purposes; and

26 (2) remaining funds received from the department shall be  
27 returned to the department not more than thirty (30) days  
28 after dissolution.

29 Sec. 3. (a) An organizer may submit to the sponsor a proposal  
30 to establish a charter school.

31 (b) A proposal must contain at least the following information:

32 (1) Identification of the organizer.

33 (2) A description of the organizer's organizational structure  
34 and governance plan.

35 (3) The following information for the proposed charter  
36 school:

37 (A) Name.

38 (B) Purposes.

39 (C) Governance structure.

40 (D) Management structure.

41 (E) Educational mission goals.

42 (F) Curriculum and instructional methods.

43 (G) Methods of pupil assessment.

44 (H) Admission policy and criteria, subject to IC 20-5.5-5.

45 (I) School calendar.

46 (J) Age or grade range of pupils to be enrolled.

47 (K) A description of staff responsibilities.

- 1 (L) A description and the address of the physical plant.
- 2 (M) Budget and financial plans.
- 3 (N) Personnel plan, including methods for selection,
- 4 retention, and compensation of employees.
- 5 (O) Transportation plan.
- 6 (P) Discipline program.
- 7 (Q) Plan for compliance with any applicable desegregation
- 8 order.
- 9 (R) The date when the charter school is expected to:
  - 10 (i) begin school operations; and
  - 11 (ii) have students in attendance at the charter school.
- 12 (S) The arrangement for providing teachers and other staff
- 13 with health insurance, retirement benefits, liability
- 14 insurance, and other benefits.
- 15 (4) The manner in which an annual audit of the program
- 16 operations of the charter school is to be conducted by the
- 17 sponsor.
- 18 (c) This section does not waive, limit, or modify the provisions
- 19 of:
  - 20 (1) IC 20-7.5 in a charter school where the teachers have
  - 21 chosen to organize under IC 20-7.5; or
  - 22 (2) an existing collective bargaining agreement for
  - 23 noncertified employees (as defined in IC 20-7.5-1-2.).
- 24 Sec. 4. This subsection applies only to a sponsor that is the
- 25 executive of a consolidated city. Before issuing a charter, the
- 26 sponsor must receive the approval of a majority of the members of
- 27 the legislative body (as defined in IC 36-1-2-9) of the consolidated
- 28 city for the establishment of a charter school. The sponsor may
- 29 issue charters for charter schools located within the consolidated
- 30 city.
- 31 Sec. 5. (a) Except as provided in subsection (b), if a governing
- 32 body grants a charter to establish a charter school, the governing
- 33 body must provide a noncharter school that students of the same
- 34 age or grade levels may attend.
- 35 (b) The department may waive the requirement that a
- 36 governing body provide a noncharter school under subsection (a)
- 37 upon the request of the governing body.
- 38 Sec. 6. The sponsor may revoke the charter of a charter school
- 39 that does not, by the date specified in the charter:
  - 40 (1) begin school operations; and
  - 41 (2) have students in attendance at the charter school.
- 42 Sec. 7. Before granting a charter under which more than fifty
- 43 percent (50%) of the students in the school corporation will attend
- 44 a charter school, a governing body must receive the approval of the
- 45 department.
- 46 Sec. 8. A sponsor must notify an organizer who submits a
- 47 proposal under section 3 of this chapter of:

1           (1) the acceptance of the proposal; or  
 2           (2) the rejection of the proposal;  
 3 not later than sixty (60) days after the organizer submits the  
 4 proposal.

5       Sec. 9. (a) A sponsor must notify the department of the  
 6 following:

- 7           (1) The receipt of a proposal.
- 8           (2) The acceptance of a proposal.
- 9           (3) The rejection of a proposal, including the reasons for the  
 10 rejection.

11       (b) The department shall annually do the following:

- 12           (1) Compile the information received under subsection (a)  
 13 into a report.
- 14           (2) Submit the report to the legislative council.

15       Sec. 10. If a sponsor rejects a charter school proposal, the  
 16 organizer may:

- 17           (1) amend the charter school proposal and resubmit the  
 18 proposal to the same sponsor;
- 19           (2) submit a charter school proposal to another sponsor; or
- 20           (3) appeal the decision to the charter school review panel  
 21 created in section 11 of this chapter.

22       Sec. 11. (a) This section applies if the sponsor rejects a proposal.

23       (b) The organizer may appeal the decision of the sponsor to the  
 24 charter school review panel created under subsection (c).

25       (c) The charter school review panel is created. The members of  
 26 the panel are:

- 27           (1) the governor or his designee;
- 28           (2) the superintendent of public instruction, who shall chair  
 29 the panel;
- 30           (3) a member of the board appointed by the superintendent of  
 31 public instruction;
- 32           (4) a person with financial management experience appointed  
 33 by the governor; and
- 34           (5) a community leader with knowledge of charter school  
 35 issues appointed jointly by the governor and the  
 36 superintendent of public instruction.

37       Members shall serve a two (2) year term and may be reappointed  
 38 to the panel upon expiration of their terms.

39       (d) All decisions of the panel shall be determined by a majority  
 40 vote of the panel's members.

41       (e) Upon the request of an organizer, the panel shall meet to  
 42 consider the organizer's proposal and the sponsor's reasons for  
 43 rejecting the proposal. The panel must allow the organizer and  
 44 sponsor to participate in the meeting.

45       (f) After the panel meets under subsection (d), the panel shall  
 46 make one (1) of the following three (3) findings and issue the  
 47 finding to the organizer and the sponsor:

1 (1) A finding that supports the sponsor's rejection of the  
2 proposal.

3 (2) A finding that:

4 (A) recommends that the organizer amend the proposal;  
5 and

6 (B) specifies the changes to be made in the proposal if the  
7 organizer elects to amend the proposal.

8 (3) A finding that approves the proposal.

9 The panel shall issue the finding not later than forty-five (45) days  
10 after the panel receives the request for review.

11 (g) If the panel makes a finding described in subsection (e)(1)  
12 the finding is final.

13 (h) If the panel makes a finding described in subsection (e)(2)  
14 the organizer may amend the proposal according to the panel's  
15 recommendations and resubmit the proposal directly to the panel.

16 (i) If the panel makes a finding described in subsection (e)(3)  
17 then the proposal is considered conditionally approved. The  
18 approval shall be considered final upon the delivery to the panel of  
19 written notice from the organizer and an eligible sponsor, as  
20 identified in chapter 1, section 14 of this article, that the sponsor  
21 has agreed to serve as a sponsor for the proposal approved by the  
22 panel.

23 (j) Proposals approved under this section shall not be counted  
24 under any numerical limits placed upon a sponsor or set of  
25 sponsors.

26 Sec. 12. (a) The department shall monitor the number of charter  
27 schools approved by universities;

28 (b) Within six (6) months after twenty (20) charter schools have  
29 been approved by universities, the department shall issue a report  
30 to the charter school review panel identifying:

31 (1) the purpose and organization of all charter schools  
32 sponsored by universities;

33 (2) the procedure by which charter schools have been  
34 approved and monitored by university sponsors; and

35 (3) recommendations regarding the future of university  
36 sponsorships.

37 (c) The report completed under subsection (b) shall be  
38 submitted to the legislative council.

39 Sec. 13. (a) This section applies to university sponsors.

40 (b) The ultimate responsibility for choosing to sponsor a charter  
41 school and responsibilities for maintaining sponsorship shall rest  
42 with the university's board of trustees.

43 (c) Notwithstanding subsection (b), the university's board of  
44 trustees may vote to assign sponsorship authority and sponsorship  
45 responsibilities to another person or entity that functions under the  
46 direction of the university's board. Any decisions made under this  
47 subsection shall be communicated in writing to the department of

1 education and the charter school review panel.

2 Sec. 14. (a) This section applies to charter schools sponsored by  
3 the mayor of a consolidated city.

4 (b) The number of charter schools shall be not more than five  
5 (5) during the 2001 calendar year.

6 (c) Each subsequent year, the maximum number of charter  
7 schools shall increase by five (5).

8 (d) The limits resulting from subsections (b) and (c) shall be  
9 cumulative from year to year.

10 Sec. 15. No entity or multiple divisions of the same entity may  
11 serve simultaneously as both the organizer and the sponsor of the  
12 same charter school.

#### 13 Chapter 4. The Charter

14 Sec. 1. A charter must do the following:

15 (1) Be a written instrument.

16 (2) Be executed by a sponsor and an organizer.

17 (3) Confer certain rights, franchises, privileges, and  
18 obligations on a charter school.

19 (4) Confirm the status of a charter school as a public school.

20 (5) Be granted for:

21 (A) not less than three (3) years; and

22 (B) a fixed number of years agreed to by the sponsor and  
23 the organizer.

24 (6) Provide for:

25 (A) a review by the sponsor of the charter school's  
26 performance, including the progress of the charter school  
27 in achieving the academic goals set forth in the charter, at  
28 least one (1) time in each five (5) year period while the  
29 charter is in effect; and

30 (B) renewal, if the sponsor and the organizer agree to  
31 renew the charter.

32 (7) Specify the grounds for the sponsor to:

33 (A) revoke the charter before the end of the term for which  
34 the charter is granted; or

35 (B) not renew a charter.

36 (8) Set forth the methods by which the charter school is held  
37 accountable for achieving the educational mission and goals  
38 of the charter school, including the following:

39 (A) Evidence of improvement in assessment measures,  
40 including ISTEP and Graduation Qualifying Exam,  
41 attendance rates, graduation rates (if appropriate),  
42 increased numbers of Core 40 diplomas (if appropriate),  
43 and increased numbers of academic honors diplomas (if  
44 appropriate).

45 (B) Evidence of progress toward reaching the educational  
46 goals set by the organizer.

47 (9) Describe the method to be used to monitor the charter

1 school's:

2 (A) compliance with applicable law; and

3 (B) performance in meeting targeted educational  
4 performance.

5 (10) Specify that the sponsor and the organizer may amend  
6 the charter during the term of the charter by mutual consent  
7 and describe the process for amending the charter.

8 (11) Describe specific operating requirements, including all of  
9 the matters set forth in the application for the charter.

10 (12) Specify a date when the charter school will:

11 (A) begin school operations; and

12 (B) have students in attendance at the charter school.

13 (13) Specify that records of a charter school relating to the  
14 school's operation and charter are subject to inspection and  
15 copying to the same extent that records of a public school are  
16 subject to inspection and copying under IC 5-14-3.

17 (14) Specify that records provided by the charter school to the  
18 department or sponsor that relate to compliance by the  
19 operator with the terms of the charter or applicable state or  
20 federal laws are subject to inspection and copying in  
21 accordance with IC 5-14-3.

22 (15) Specify that the charter school is subject to the  
23 requirements of IC 5-14-1.5.

## 24 Chapter 5. Student Admissions and Enrollment

25 Sec. 1. Except as provided in this chapter, a nonconversion  
26 charter school must be open to any student who resides in Indiana.  
27 A student may attend a charter school outside the district in which  
28 the student resides if the parent determines that an academic  
29 program at the charter school would enhance the student's  
30 academic opportunities. If the governing body in which the student  
31 resides determines that such a transfer would not improve the  
32 student's academic opportunities, the governing body may appeal  
33 to the board. Within forty-five (45) days of receiving the appeal,  
34 the board shall conduct a hearing and decide whether to uphold or  
35 reverse the parent's decision to enroll in the charter school. During  
36 the board's consideration, the parents of the student shall be  
37 allowed to testify, but the governing body shall have the burden of  
38 proof for demonstrating that the charter school does not provide  
39 additional or unique academic opportunities that exceed those  
40 available at the school corporation.

41 Sec. 2. Except as provided in this chapter, a conversion charter  
42 school must be open to any student residing in the local school  
43 corporation. By joint agreement of the sponsor and organizer, a  
44 conversion charter school may open its enrollment to students  
45 outside of the local school corporation.

46 Sec. 3. Except as provided in this chapter, a charter school may  
47 not establish admission policies or limit student admissions in any

manner in which a public school is not permitted to establish admission policies or limit student admissions.

Sec. 4. (a) Except as provided in subsections (b), (c), and (d), a charter school must enroll any eligible student who submits a timely application for enrollment.

(b) This subsection applies if the number of applications for a program, class, grade level, or building exceeds the capacity of the program, class, grade level, or building. If a charter school receives a greater number of applications than there are spaces for students, each timely applicant must be given an equal chance of admission.

(c) A charter school may limit new admissions to the charter school to:

(1) ensure that a student who attends the charter school during a school year may continue to attend the charter school in subsequent years; and

(2) allow the siblings of a student who attends a charter school to attend the charter school.

(d) This subsection applies to an existing school that converts to a charter school under IC 20-5.5-11. During the school year in which the existing school converts to a charter school, the charter school may limit admission to:

(1) those students who were enrolled in the charter school on the date of the conversion; and

(2) siblings of students described in subdivision (1).

#### **Chapter 6. Employment**

Sec. 1. Individuals who work at a charter school are employees of the charter school or of an entity with which the charter school has contracted to provide services.

Sec. 2. Individuals must choose to be teachers at a charter school voluntarily, and a charter school shall voluntarily choose such individuals to be its teachers.

Sec. 3. Employees of a charter school may organize and bargain collectively under IC 20-7.5.

Sec. 4. (a) This section applies to a conversion charter school.

(b) After the conversion, the teachers in a conversion charter school remain part of the bargaining unit of the sponsor and are subject to all the provisions of the collective bargaining agreement.

(c) The governing body, the equivalent body of the conversion charter school, and the exclusive representative may by mutual agreement grant a waiver of a specific provision of the collective bargaining agreement.

(d) Noncertificated employees (as defined in IC 20-7.5-1-2) shall remain in existing bargaining units and are covered under existing collective bargaining agreements.

Sec. 5 (a) An individual who teaches in a charter school must either:



(1) hold a license to teach in a public school in Indiana under IC 20-6.1-3; or

(2) be in the process of obtaining a license to teach in a public school in Indiana under the transition to teaching program set forth in IC 20-6.1-3-11.

(b) An individual described in subsection (a)(2) must complete the transition to teaching program not later than three (3) years after beginning to teach at a charter school.

(c) An individual who provides a service to students in a charter school:

(1) that is not teaching; and

(2) for which a license is required under Indiana law; must have the appropriate license to provide the service in Indiana.

Sec. 6. A charter school may employ a substitute teacher or an individual who holds a limited license to teach in the same manner in which a noncharter public school may employ a substitute teacher or an individual who holds a limited license to teach.

Sec. 7. (a) A charter school shall participate in the following:

(1) The Indiana state teachers' retirement fund in accordance with IC 21-6.1.

(2) The public employees' retirement fund in accordance with IC 5-10.3.

(b) A person who teaches in a charter school is a member of the Indiana state teachers' retirement fund. Service in a charter school is creditable service for purposes of IC 21-6.1.

(c) A person who:

(1) is a local school employee of a charter school; and

(2) is not eligible to participate in the Indiana state teachers' retirement fund;

is a member of the public employees' retirement fund.

(d) The boards of the Indiana state teachers' retirement fund and the public employees' retirement fund shall implement this section through the organizer of the charter school, subject to and conditioned upon receiving any approvals either board considers appropriate from the Internal Revenue Service and the United States Department of Labor.

Sec. 8. The decision by a sponsor whether to grant a charter shall not be subject to restraint by the collective bargaining agreement.

Sec. 9. As a school corporation grants a charter to a charter school and individuals choose and are chosen by the charter school to teach in the charter school, the school corporation may make personnel adjustments among its noncharter school teachers that the school corporation believes are necessary or appropriate to match existing resources with existing needs in its noncharter schools. If, as part of such adjustments, the school corporation eliminates a teaching position within the corporation, the legal or

contractual provisions, if any, otherwise applicable to the teacher in one (1) of its noncharter schools whose contract with the school corporation is canceled as a result of the elimination of the position within the school corporation shall continue to apply to that teacher.

**Sec. 10. (a) The governing body:**

- (1) must grant a transfer of not more than two (2) years; and
- (2) may grant a transfer for a period of time in addition to the period required in subdivision (1);

to a teacher of a noncharter school in the school corporation who wishes to teach and has been accepted to teach at a nonconversion charter school.

**(b) During the term of the transfer under subsection (a):**

- (1) the teacher's seniority status under law continues as if the teacher were an employee of a noncharter school in the school corporation; and
- (2) the teacher's years as a charter school employee shall not be considered for purposes of permanent or semipermanent status with the school corporation under IC 20-6.1-4.

#### **Chapter 7. Fiscal Matters**

**Sec. 1. (a) The organizer is the fiscal agent for the charter school.**

**(b) The organizer has exclusive control of:**

- (1) funds received by the charter school; and
- (2) financial matters of the charter school.

**(c) The organizer shall maintain separate accountings of all funds received and disbursed by the charter school.**

**Sec. 2. For purposes of computing:**

- (1) state tuition support;
- (2) state funding for any purpose; or
- (3) local funding for any purpose except capital projects;

a charter school student is counted in the same manner as a student of the school corporation in which the charter school student resides.

**Sec. 3. (a) Not later than the date established by the department for determining average daily membership under IC 21-3-1.6-1.1(d), the organizer shall submit to the department the following information:**

- (1) The number of students enrolled in the charter school.
- (2) The name of each student and the school corporation in which the student resides.

**(b) After verifying the accuracy of the information reported under subsection (a), the department shall distribute the following to the organizer:**

- (1) Tuition support and other state funding for any purpose for students in the charter school.
- (2) A proportionate share of state and federal funds received

for students with disabilities or staff services for students with disabilities for the students with disabilities enrolled in the charter school.

(3) A proportionate share of funds received under federal or state categorical aid programs for students who are eligible for the federal or state aid enrolled in the charter school.

(c) Not later than the date established by the department for determining average daily membership under IC 21-3-1.6-1.1(d), the organizer shall submit to each governing body a report of the total number and names of students from the governing body's school corporation enrolled in the charter school. Upon verifying the accuracy of the information reported, the governing body shall distribute to the organizer a proportionate share of local support for the students enrolled in the charter school in an amount determined under STEP THREE of the following formula:

STEP ONE: Add the revenues obtained by the school corporation's:

(A) general fund property tax levy; and

(B) general fund auto excise and financial institutions tax.

STEP TWO: Divide the sum determined under STEP ONE by the total number of students enrolled in the school corporation.

STEP THREE: Multiply the quotient determined under STEP TWO by the number of students enrolled in the charter school.

(d) The distribution under subsection (b) shall be made on the same schedule as the schedule on which the school corporation receives the funds.

Sec. 4. (a) Services that a school corporation provides to a charter school, including transportation, may be provided at not more than one hundred three percent (103%) of the actual cost of the services.

(b) This subsection applies to a sponsor that is a state educational institution described in IC 20-5.5-1-14(1)(B). A state educational institution may receive from the organizer of a charter school sponsored by the state educational institution an administrative fee equal to not more than three percent (3%) of the total amount the governing body distributes under sections 3(b)(1) and 3(c) of this chapter.

Sec. 5. An organizer may apply for and accept for a charter school:

(1) independent financial grants; or

(2) funds from public or private sources other than the department.

Sec. 6. With the approval of a majority of the members of the governing body, a school corporation may distribute a proportionate share of the school corporation's capital project

1 fund to a charter school.

2 Sec. 7. When a charter school uses public funds for the  
3 construction, reconstruction, alteration or renovation of a public  
4 building, bidding and wage determination laws and all other  
5 statutes and rules shall apply.

6 Sec. 8. A sponsor may request and receive financial reports  
7 concerning a charter school from the organizer at any time.

#### 8 Chapter 8. Powers and Exemptions

9 Sec. 1. A charter school may do the following:

- 10 (1) Sue and be sued in its own name.
- 11 (2) For educational purposes, acquire real and personal  
12 property or an interest in real and personal property by  
13 purchase, gift, grant, devise, or bequest.
- 14 (3) Convey property.
- 15 (4) Enter into contracts in its own name, including contracts  
16 for services.

17 Sec. 2. A charter school may not do the following:

- 18 (1) Operate at a site or for grades other than as specified in  
19 the charter.
- 20 (2) Charge tuition to any student residing within the school  
21 corporation's geographic boundaries. However, a charter  
22 school may charge tuition for:  
23 (A) a preschool program, unless charging tuition for the  
24 preschool program is barred under federal law; or  
25 (B) a latch key program;  
26 if the charter school provides those programs.
- 27 (3) Except for a foreign exchange student who is not a United  
28 States citizen, enroll a pupil who is not a resident of Indiana.
- 29 (4) Be located in a private residence.
- 30 (5) Provide home based instruction.

31 Sec. 3. For each charter school established under this article, the  
32 charter school and the organizer are accountable to the sponsor for  
33 ensuring compliance with:

- 34 (1) applicable federal and state laws;
- 35 (2) the charter; and
- 36 (3) the Constitution of the State of Indiana.

37 Sec. 4. Except as specifically provided in this article and the  
38 statutes listed in section 5 of this chapter, the following do not  
39 apply to a charter school:

- 40 (1) Any Indiana statute applicable to a governing body or  
41 school corporation.
- 42 (2) A rule or guideline adopted by the Indiana state board of  
43 education.
- 44 (3) A rule or guideline adopted by the professional standards  
45 board (established by IC 20-1-1.4-2), except for those rules  
46 that assist a teacher in gaining or renewing a standard or  
47 advanced license.

(4) A local regulation or policy adopted by a school corporation unless specifically incorporated in the charter.

**Sec. 5. The following statutes and rules and guidelines adopted under the following statutes apply to a charter school:**

(1) IC 5-11-1-9 (required audits by the state board of accounts).

(2) IC 20-1-1.5 (unified accounting system).

(3) IC 20-1-6 (special education).

(4) IC 20-5-2-7 and IC 20-6.1-3-7.1 (criminal history).

(5) IC 20-5-2-3 (subject to laws requiring regulation by state agencies).

(6) IC 20-6.1-4-15 (void teacher contract when two (2) contracts are signed).

(7) IC 20-6.1-6-11 (nondiscrimination for teacher marital status).

(8) IC 20-6.1-6-13 (teacher freedom of association).

(9) IC 20-6.1-6-15 (school counselor immunity).

(10) For conversion charter schools only, IC 20-6.1-4, IC 20-6.1-5 and IC 20-6.1-6.

(11) IC 20-8.1-3 (compulsory school attendance).

(12) IC 20-8.1-4 (limitations on employment of children).

(13) IC 20-8.1-5.1-13, IC 20-8.1-5.1-15, and IC 20-8.1-5.1-15.5 (student due process and judicial review).

(14) IC 20-8.1-5.1-10 (firearms and deadly weapons).

(15) IC 20-8.1-7 and IC 20-8.1-8 (health and safety measures).

(16) IC 20-8.1-9-3 (exemption from school fees for eligible families and fee reimbursement).

(17) IC 20-8.1-9-5 (notice to parents concerning financial assistance).

(18) IC 20-8.1-12 (reporting of student violations of law).

(19) IC 20-10.1-2-4 and IC 20-10.1-2-6 (patriotic commemorative observances).

(20) IC 20-10.1-16, IC 20-10.1-17, or any other statute, rule, or guideline related to standardized testing (assessment programs, including remediation under the assessment programs).

(21) IC 20-10.1-22.4 (parental access to education records).

(22) IC 20-10.2 (accountability for school performance and improvement).

**Sec. 6. (a) A charter school may not duplicate a Bureau of Apprenticeship and Training (BAT) approved Building Trades apprenticeship program.**

**(b) A student in a charter school may not be excluded from participating in a BAT approved Building Trades apprenticeship program that is offered in a non-charter school.**

## **Chapter 9. Oversight and Revocation**

**Sec. 1. An organizer that has established a charter school shall**

1 submit an annual report to the department for informational and  
2 research purposes.

3 Sec. 2. An annual report under this chapter must contain the  
4 following information for a charter school:

- 5 (1) Results of all standardized testing, including ISTEP and
- 6 Graduation Qualifying Exam.
- 7 (2) A description of the educational methods and teaching
- 8 methods employed.
- 9 (3) Daily attendance records.
- 10 (4) Graduation statistics (if appropriate), including
- 11 attainment of Core 40 and Academic Honors Diplomas.
- 12 (5) Student enrollment data, including the following:
- 13 (A) The number of students enrolled.
- 14 (B) The number of students expelled.
- 15 (C) The number of students who discontinued attendance
- 16 at the charter school and the reasons for the
- 17 discontinuation.

18 Sec. 3. The sponsor shall oversee a charter school's compliance  
19 with:

- 20 (1) the charter; and
- 21 (2) all applicable laws.

22 Sec. 4. Notwithstanding the provisions of the charter, a sponsor  
23 that grants a charter may revoke the charter at any time before the  
24 expiration of the term of the charter if the sponsor determines that  
25 at least one (1) of the following occurs:

- 26 (1) The organizer fails to comply with the conditions
- 27 established in the charter.
- 28 (2) The charter school established by the organizer fails to
- 29 meet the educational goals set forth in the charter.
- 30 (3) The organizer fails to comply with all applicable laws.
- 31 (4) The organizer fails to meet generally accepted government
- 32 accounting principles.
- 33 (5) One (1) or more grounds for revocation exist as specified
- 34 in the charter.

35 Sec. 5. A charter school shall report the following to the  
36 sponsor:

- 37 (1) Attendance records.
- 38 (2) Student performance data.
- 39 (3) Financial information.
- 40 (4) Any information necessary to comply with state and
- 41 federal government requirements.
- 42 (5) Any other information specified in the charter.

43 Sec. 6. The organizer of a charter school shall publish an annual  
44 performance report that provides the information required under  
45 IC 20-1-21-8 in the same manner that a school corporation  
46 publishes an annual report under IC 20-1-21.

47 Chapter 10. Student Transfers From Charter Schools

1       **Sec. 1. A public noncharter school that receives a transfer**  
 2       **student from a charter school may not discriminate against the**  
 3       **student in any way, including placing the student:**

- 4           **(1) in an inappropriate age group according to the student's**  
 5           **ability;**  
 6           **(2) below the student's abilities; or**  
 7           **(3) in a class where the student has already mastered the**  
 8           **subject matter.**

9       **Chapter 11. Conversion of Existing Schools Into Charter**  
 10       **Schools**

11       **Sec. 1. An existing public elementary or secondary school may**  
 12       **be converted into a charter school if the following conditions apply:**

- 13           **(1) At least sixty percent (60%) of the teachers at the school**  
 14           **have signed a petition requesting the conversion.**  
 15           **(2) At least fifty-one percent (51%) of the parents of students**  
 16           **at the school have signed a petition requesting the conversion.**

17       **Sec. 2. If the conditions of section 1 of this chapter are met, the**  
 18       **teachers and parents may appoint a committee to act as organizers**  
 19       **for the charter school.**

20       **Sec. 3. The organizers shall submit a proposal under IC 20-5.5-3**  
 21       **to the governing body of the school corporation in which an**  
 22       **existing elementary or secondary school is located to convert the**  
 23       **existing school into a charter school.**

24       **Sec. 4. Only the governing body of the school corporation in**  
 25       **which an existing public elementary or secondary school that seeks**  
 26       **conversion to a charter school is located may act as the sponsor of**  
 27       **the conversion charter school.**

28       **SECTION 22. IC 20-6.1-3-11 IS ADDED TO THE INDIANA**  
 29       **CODE AS A NEW SECTION TO READ AS FOLLOWS**  
 30       **[EFFECTIVE JULY 1, 2002]: Sec. 11. (a) As used in this section,**  
 31       **"program" refers to the transition to teaching program established**  
 32       **by subsection (b).**

33       **(b) The transition to teaching program is established to**  
 34       **accomplish the following:**

- 35           **(1) Facilitate the transition into the teaching profession of**  
 36           **competent professionals in fields other than teaching.**  
 37           **(2) Allow competent professionals who do not hold a teaching**  
 38           **license to earn and be issued a teaching license through**  
 39           **participation in and satisfactory completion of the program.**

40       **(c) Subject to the requirements of this section, the board shall**  
 41       **develop and administer the program. The board shall determine**  
 42       **the details of the program that are not included in this section.**

43       **(d) Each accredited teacher training school and department**  
 44       **shall establish a course of study that constitutes the higher**  
 45       **education component of the program. The higher education**  
 46       **component required under this subsection must comply with the**  
 47       **following requirements:**

**(1) Include the following study requirements:**

**(A) For a program participant who seeks to obtain a license to teach in grade 6 through grade 12, up to eighteen (18) credit hours of study or the equivalent that prepare a program participant to meet Indiana standards for teaching in the subject areas corresponding to the area in which the program participant has met the education requirements under subsection (e), unless the program participant demonstrates that the program participant requires fewer credit hours of study to meet Indiana standards for teaching.**

**(B) For a program participant who seeks to obtain a license to teach in kindergarten through grade 5, twenty-four (24) credit hours of study or the equivalent, which must include at least six (6) credit hours in the teaching of reading, that prepare a program participant to meet Indiana standards for teaching, unless the program participant demonstrates that the program participant requires fewer credit hours of study to meet Indiana standards for teaching.**

**(2) Focus on the communication of knowledge to students.**

**(3) Include suitable field or classroom experiences if the program participant does not have teaching experience.**

**(e) A person who wishes to participate in the program must have one (1) of the following qualifications:**

**(1) For a program participant who seeks to obtain a license to teach in grade 6 through grade 12, one (1) of the following:**

**(A) A bachelor's degree or the equivalent with a grade point average of three (3.0) on a four (4.0) scale from an accredited institution of higher education in the subject area that the person intends to teach.**

**(B) A graduate degree from an accredited institution of higher education in the subject area that the person intends to teach.**

**(C) Both:**

**(i) a bachelor's degree from an accredited institution of higher education with a grade point average of two and five-tenths (2.5) on a four (4) point scale; and**

**(ii) five (5) years of professional experience;**

**in the subject area that the person intends to teach.**

**(2) For a program participant who seeks to obtain a license to teach in kindergarten through grade 5, one (1) of the following:**

**(A) A bachelor's degree or the equivalent with a grade point average of three (3.0) on a four (4.0) scale from an accredited institution of higher education.**

**(B) Both:**



- (i) a bachelor's degree from an accredited institution of higher education with a grade point average of two and five-tenths (2.5) on a four (4.0) point scale; and
- (ii) five (5) years of professional experience in an education-related field.

(f) The board shall grant an initial standard license to a program participant who does the following:

(1) Successfully completes the higher education component of the program.

(2) Demonstrates proficiency through a written examination in:

(A) basic reading, writing, and mathematics;

(B) pedagogy; and

(C) knowledge of the areas in which the program participant is required to have a license to teach;

under section 10.1(a) of this chapter.

(3) Participates successfully in a beginning teacher internship program under IC 20-6.1-8 that includes implementation in a classroom of the teaching skills learned in the higher education component of the program.

(4) Receives a successful assessment of teaching skills upon completion of the beginning teacher internship program from the administrator of the school where the beginning teacher internship program takes place, or, if the program participant does not receive a successful assessment, participates in the beginning teacher internship program for a second year, as provided under IC 20-6.1-8-13. The appeals provisions of IC 20-6.1-8-14 apply to an assessment under this subdivision.

(g) This subsection applies to a program participant who has a degree described in subsection (e) that does not include all the content areas of a standard license issued by the board. The board shall issue an initial standard license that is restricted to only the content areas in which the program participant has a degree unless the program participant demonstrates sufficient knowledge in other content areas of the license.

(h) A school corporation may hire a program participant to teach only in the subject area in which the participant meets the qualifications set forth under subsection (e).

(i) After receiving an initial standard license under subsection (f) or (g), a program participant who seeks to renew the participant's initial standard license must meet the same requirements as other candidates for license renewal.

(j) The board may adopt rules under IC 4-22-2 to administer this section. Rules adopted under this subsection must include a requirement that accredited teacher training schools and departments submit an annual report to the board of the number of individuals who:

- 1           **(1) enroll in; and**  
 2           **(2) complete;**  
 3 **the program.**

4       SECTION 23. IC 20-7.5-1-2 IS AMENDED TO READ AS  
 5 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. As used in this  
 6 chapter:

7       (a) "School corporation" means any local public school corporation  
 8 established under Indiana law and, in the case of public vocational  
 9 schools or schools for children with disabilities established or  
 10 maintained by two (2) or more school corporations, shall refer to such  
 11 schools.

12       (b) "Governing body" ~~shall mean~~ **means:**

13           **(1)** the board or commission charged by law with the  
 14 responsibility of administering the affairs of the school  
 15 corporation; **or**

16           **(2) the body that administers a charter school established**  
 17 **under IC 20-5.5.**

18       (c) "School employer" means:

19           **(1)** the governing body of each:

20               **(A)** school corporation; **or**

21               **(B) charter school established under IC 20-5.5; and**

22           **(2)** any person or persons authorized to act for the governing body  
 23 of the school employer in dealing with its employees.

24       (d) "Superintendent" shall mean:

25           **(1)** the chief administrative officer of any:

26               **(A)** school corporation, **or**

27               **(B) charter school established under IC 20-5.5; or**

28           **(2)** any person or persons designated by the officer or by the  
 29 governing body to act in the officer's behalf in dealing with school  
 30 employees.

31       (e) "School employee" means any full-time certificated person in the  
 32 employment of the school employer. A school employee shall be  
 33 considered full time even though the employee does not work during  
 34 school vacation periods, and accordingly works less than a full year.  
 35 There shall be excluded from the meaning of school employee  
 36 supervisors, confidential employees, employees performing security  
 37 work and noncertificated employees.

38       (f) "Certificated employee" means a person:

39           **(1)** whose contract with the school corporation requires that ~~he~~  
 40 **the person** hold a license or permit from the state board of  
 41 education or a commission thereof as provided in IC 20-6.1; **or**

42           **(2) who is employed as a teacher by a charter school**  
 43 **established under IC 20-5.5.**

44       (g) "Noncertificated employee" means any school employee whose  
 45 employment is not dependent upon the holding of a license or permit  
 46 as provided in IC 20-6.1.

1 (h) "Supervisor" means any individual who has:

2 (1) authority, acting for the school corporation, to hire, transfer,  
3 suspend, lay off, recall, promote, discharge, assign, reward, or  
4 discipline school employees;

5 (2) responsibility to direct school employees and adjust their  
6 grievances; or

7 (3) responsibility to effectively recommend the action described  
8 in ~~subsections~~ **subdivisions** (1) through (2);

9 that is not of a merely routine or clerical nature but requires the use of  
10 independent judgment. The term includes superintendents, assistant  
11 superintendents, business managers and supervisors, directors with  
12 school corporation-wide responsibilities, principals and vice principals,  
13 and department heads who have responsibility for evaluating teachers.

14 (i) "Confidential employee" means a school employee whose  
15 unrestricted access to confidential personnel files or whose functional  
16 responsibilities or knowledge in connection with the issues involved in  
17 dealings between the school corporation and its employees would make  
18 the confidential employee's membership in a school employee  
19 organization incompatible with the employee's official duties.

20 (j) "Employees performing security work" means any school  
21 employee whose primary responsibility is the protection of personal  
22 and real property owned or leased by the school corporation or who  
23 performs police or quasi-police powers.

24 (k) "School employee organization" means any organization which  
25 has school employees as members and one (1) of whose primary  
26 purposes is representing school employees in dealing with their school  
27 employer, and includes any person or persons authorized to act on  
28 behalf of such organizations.

29 (l) "Exclusive representative" means the school employee  
30 organization which has been certified for the purposes of this chapter  
31 by the board or recognized by a school employer as the exclusive  
32 representative of the employees in an appropriate unit as provided in  
33 section 10 of this chapter, or the person or persons duly authorized to  
34 act on behalf of such representative.

35 (m) "Board" means the Indiana education employment relations  
36 board provided by this chapter.

37 (n) "Bargain collectively" means the performance of the mutual  
38 obligation of the school employer and the exclusive representative to  
39 meet at reasonable times to negotiate in good faith with respect to items  
40 enumerated in section 4 of this chapter and to execute a written  
41 contract incorporating any agreement relating to such matters. Such  
42 obligation shall not include the final approval of any contract  
43 concerning these or any other items. Agreements reached through  
44 collective bargaining are binding as a contract only if ratified by the  
45 governing body of the school corporation and the exclusive  
46 representative. The obligation to bargain collectively does not require

the school employer or the exclusive representative to agree to a proposal of the other or to make a concession to the other.

(o) "Discuss" means the performance of the mutual obligation of the school corporation through its superintendent and the exclusive representative to meet at reasonable times to discuss, to provide meaningful input, to exchange points of view, with respect to items enumerated in section 5 of this chapter. This obligation shall not, however, require either party to enter into a contract, to agree to a proposal, or to require the making of a concession. A failure to reach an agreement on any matter of discussion shall not require the use of any part of the impasse procedure, as provided in section 13 of this chapter. Neither the obligation to bargain collectively nor to discuss any matter shall prevent any school employee from petitioning the school employer, the governing body, or the superintendent for a redress of the employee's grievances either individually or through the exclusive representative, nor shall either such obligation prevent the school employer or the superintendent from conferring with any citizen, taxpayer, student, school employee, or other person considering the operation of the schools and the school corporation.

(p) "Strike" means concerted failure to report for duty, willful absence from one's position, stoppage of work, or abstinence in whole or in part from the full, faithful, and proper performance of the duties of employment, without the lawful approval of the school employer, or in any concerted manner interfering with the operation of the school employer for any purpose.

(q) "Deficit financing" with respect to any budget year shall mean expenditures in excess of money legally available to the employer.

SECTION 24. IC 20-10.2-2-3.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]: **Sec. 3.5. "Charter school" refers to a public school created and operating under IC 20-5.5.**

SECTION 25. IC 20-10.2-3-1.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]: **Sec. 1.5. (a) This section applies to a charter school.**

**(b) A charter entered under IC 20-5.5-4 may be used as a charter school's three (3) year strategic and continuous school improvement and achievement plan.**

SECTION 26. IC 20-10.2-6-1, AS ADDED BY P.L.221-1999, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 1. This chapter does not apply to **the following:**

**(1) A nonpublic school.**

**(2) A charter school.**

SECTION 27. THE FOLLOWING ARE REPEALED [EFFECTIVE JULY 1, 2001]: IC 20-3.1-2-12; IC 20-3.1-2-15; IC 20-3.1-2-16; IC 20-3.1-12; IC 20-3.1-14-1; IC 20-3.1-14-3.

1       SECTION 28. [EFFECTIVE JULY 1, 2001] (a) This SECTION  
2 applies to a school city subject to IC 20-3.1-15-1, as amended by  
3 this act.

4       (b) In negotiations under IC 20-7.5 for the first negotiated  
5 agreement after July 1, 2001, the following shall be included as  
6 items according to IC 20-7.5-1-4:

7           (1) Grievance procedure.

8           (2) Teacher evaluation.

9           (3) Reduction in force.

10       (c) This SECTION expires upon the ratification of the  
11 agreement described in subsection (a) or July 1, 2005, whichever  
12 is the earliest to occur.

13       SECTION 29. [EFFECTIVE JULY 1, 2001] (a) There is  
14 appropriated to the department of education fifty thousand dollars  
15 (\$50,000) from the state general fund in each state fiscal year of the  
16 biennium beginning July 1, 2001, and ending June 30, 2003, for its  
17 use to carry out its responsibilities under IC 20-5.5 and to provide  
18 advisory assistance to school corporations and charter schools for  
19 programs under IC 20-5.5.

20       (b) This SECTION expires July 1, 2003.

21       SECTION 30. [EFFECTIVE JULY 1, 2001] (a) The following  
22 shall, in negotiations for the first negotiated collective bargaining  
23 agreement after July 1, 2001, be included as items under  
24 IC 20-7.5-1-4:

25           (1) A grievance procedure.

26           (2) Teacher evaluation.

27           (3) Reduction in force.

28       (b) This SECTION expires July 1, 2003.

29       SECTION 31. An emergency is declared for this act.

(Reference is to ESB 165 as printed April 9, 2001.)

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Representative Porter